Economic Scenario Planning (ESP) 2.0:
Model & Presentation User Guide

**HELPING COMMUNITY
FOUNDATIONS
PLAN FOR THE FUTURE**

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Introduction

Recognizing that community foundations would benefit from a tool allowing them to **test the implications of factors such as market performance, donor behavior, and operating expense adjustments** on core income statement indicators, the Council on Foundations' **Community Foundations Leadership Team (CFLT) spearheaded the creation of this five-year forecasting tool**. The CFLT mobilized thought leaders to guide the model's design and generously provided funding to CF Insights and FSG Social Impact Advisors to build this Economic Scenario Planning (ESP) for community foundations in the Summer of 2009. CF Insights is an implementation partner of the Community Foundations Leadership Team in addressing the goal of organizational effectiveness in the Plan of Action (2007-2010).

Based on early adopter feedback, the CFLT provided additional funding to FSG in early 2010 to add a few **enhancements** to the model for a **version 2.0**:

▪ Increasing the number of **fund types** that can be entered from 8 to 10

▪ Increasing the number of **other revenue items** (non-fee-based) that can be entered from 3 to 5

▪ Increasing the number of **expense line items** that can be entered from 5 to 10

▪ Including **revenue mix depictions** in the output tables and charts

Even in this latest 2.0 version, the ESP model has been **designed to be quick to use**, incorporating a variety of factors but not all possibilities. As such, it does not perfectly mirror the complexity of reality. The model approximates how changes in the external environment will impact income statements and operating metrics. Creating functionality to accommodate the field's myriad of fund and fee structures would defeat the purpose of making this model accessible and digestible. The ESP model should, however, allow every single foundation to create close approximations while respecting the scarcity of their time. Users of this model should keep in mind that it was developed for the purpose of conducting **Board and CEO-level conversations**, rather than providing a mechanism for detailed fund-level / balance sheet analysis.

The model will allow foundations to answer pressing questions, such as:

- Under what circumstances will the foundation's **assets** return to pre-recession levels?

- How will the foundation's **income statement** be impacted if the **market** does much better or much worse than expected?

- What adjustments need to be made to **spending policies** if absolute **grant levels** are to be maintained in the coming years?

- How much of a **gap in administrative fees** might the foundation be facing / how much **revenue from other sources** does the foundation need to generate in the coming years?

- What impact would a **major new gift** have on the foundation?

- Can the foundation afford to increase its **operating expenses** in the coming years?

- Will the foundation have enough **operating cash**?

This User Guide details:

- How to use the model **technically**

- How to approach forecasting **philosophically**

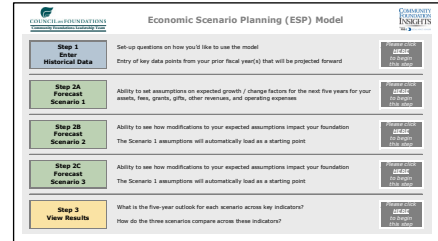- How to show and discuss results using a **presentation template** developed for this model

Note: For those that would like to forecast using a **more detailed model, the Interactive Strategy Model (ISM)** is available for download on the CF Insights website.

Model Overview

Basic Structure
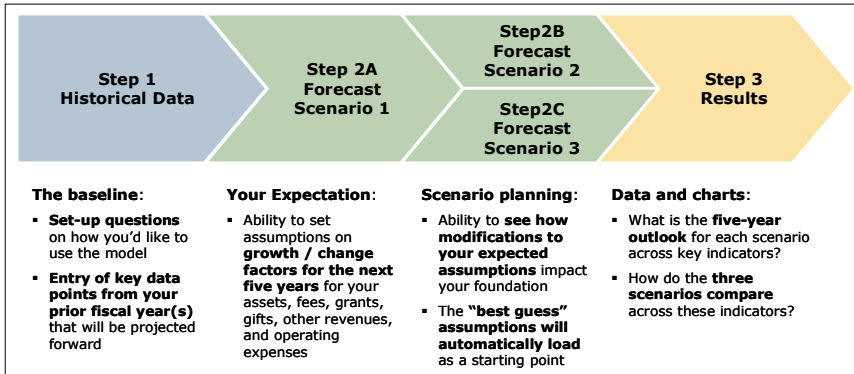
The model's "**Start Here**" tab is a hyper-linked navigation tool that guides you step by step:

The gray boxes throughout the model are all hyperlinked to help you navigate

The baseline:
- **Set-up questions** on how you'd like to use the model
- **Entry of key data points from your prior fiscal year(s)** that will be projected forward

Your Expectation:
- Ability to set assumptions on **growth / change factors for the next five years** for your assets, fees, grants, gifts, other revenues, and operating expenses

Scenario planning:
- Ability to **see how modifications to your expected assumptions** impact your foundation
- The **"best guess" assumptions will automatically load** as a starting point

Data and charts:
- What is the **five-year outlook** for each scenario across key indicators?
- How do the **three scenarios compare** across these indicators?

General Tips

Whenever you see ◥, hold the cursor over the little red triangle for some useful information.

Please remember the legend below as you work in the model:
- *Dark yellow*: information you **must** enter
- *Light yellow*: information that is **optional**
- *Light gray*: automatic **calculations**
- *Input denomination*: all numbers must be entered in **000's** (e.g., $1,530,000 would be entered as 1,530 and depicted in the model as $1,530K

Please note that the model is **password-protected** to ensure the integrity of the formulas. If you'd like to unprotect the model, follow these steps:
- *Excel 2007:* Review tab -> Changes section -> Unprotect sheet | password = "password"
- *Previous Excel versions*: Tools-> Protection-> Unprotect sheet | password = "password"

Treatment of Spending Policy

The model splits spending policies into **three parts** that are all **forecasted separately** (including rolling averages):
- *Investment Fee:* The % of the asset / fund balances that is charged for the investment management of the fund
    - The model splits this out from the administrative fee to allow users to determine if the investment fee is a pass-through (paid directly to the fund manager / advisor) or a source of revenue (if investments are managed in-house)
    - If you enter a % for investment fee into the model and pass your investment fee on to a fund manager / advisor, do not include that cost in your operating expenses as the model automatically reduces fund balances by the investment fee each year
    - If you do not want to split out the investment fee from the administrative fee, you can enter 0% for the investment fee and include that % as part of the administrative fee assumption
    - However, if you go this route, and you do pay a fee to an outside fund manager / advisor, you will have to include that cost in your operating expenses
- *Administrative Fee:* The % of asset / fund balances that you charge as fee revenue
    - Remember to net out the investment fee if you entered it under investment fee (see above)
- *Grants Pay-Out:* The % of asset / fund balances that is granted out
    - Do not include investment fee or administrative fee in your assumptions for this

Model Step 1: Inputting Historical Data

I. Basic Information	▪ Enter your **foundation name**, so it can be embedded into the results page
	
	 ▪ Using the drop down menu, choose your **fiscal year end date** – this will also be embedded throughout
	
	 ▪ *IMPORTANT*: Using the drop down menu, choose which **five fiscal years you are looking to forecast**; the model will automatically populate the headers of each year column accordingly
	
	    – *Please note*: **you have to decide this once upfront**, if you change this feature later, the model won't automatically move any data you've already entered
	
	    – If you have fiscal 2009 data, you should forecast fiscal 2010-2014
	
	    – If you are almost done with fiscal 2010, or have a good estimate, you should forecast 2011-2015 and enter your 2010 best guess as the last historical year
	
	    – Once you've chosen which five fiscal years to forecast, the model will automatically tell you which historical fiscal year you need to enter
	
	 ▪ Using the drop down menu, determine the **longest period of rolling averages** your foundation uses for asset-based calculations
	
	    – The model will **automatically shade** in dark yellow the time periods for which you'll have to enter historical asset data (see below)

II. Assets / Funds	▪ You can enter historical information for your assets / funds using **10 line items**
	
	 ▪ Depending on how many rolling average years your foundation uses, you'll have to enter historical years accordingly
	
	    – The model will **automatically shade the columns you need** to enter historical asset information for in dark yellow
	
	 ▪ Within **Donor Advised Funds** (DAFs) you can distinguish up to **three categories**; <u>some categories</u> you might consider could include:
	
	    – Size tiers (e.g., $0-$1M, $1-$5M, $5M+)
	
	    – Fee structure (e.g., flat fee, variable fee, etc.)
	
	    – Endowed status (e.g., endowed, non-endowed)
	
	    – Fund level (e.g., above water, underwater)
	
	    – The names you choose for these three categories will flow throughout the model
	
	    – If you'd like to enter all of your DAFs in one line, that is ok too, just enter them all as one of the three category choices
	
	 ▪ **If you would like to customize the other fund types (Scholarship, Unrestricted /FOI/Community Leadership, Designated/Agency, Supporting Orgs), feel free to change the names of these fund types to make them more applicable to your organization. You'll have to unprotect the sheet to do so**
	
	 ▪ You can leave the three "Other Funds" labeled as they are, or you can give them unique names that will flow throughout the model
	
	 ▪ *Note*: If you have an operating / administrative endowment and / or reserve, you will be able to enter this in Section IV of this step

III. Gifts & Grants	▪ For your last historical fiscal year enter your total **gifts** and **grants** numbers ▪ **The four previous fiscal years are optional** – entering the data does not impact the model, but does provide you with more historical context to draw on when sanity checking your forecasted numbers

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Model Legend   ▢ Must Have   ▢ Optional   ▢ Calculation │ *All numbers in 000's ("$K")*   4

Model Step 1: Inputting Historical Data (*cont'd*)

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IV. Revenues, Operating Expenses & Funds

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- Enter the year-end balances for any **operating funds**:
  - **Operating / Administrative Endowment** (an endowed fund established to help offset operating expenses for the community foundation)
    - *Note*: Since the principal of this type of fund should not typically be invaded, the model will <u>not</u> include the balance of this fund when calculating months of operating cash on hand

  - **Operating / Administrative Reserve** (funds, usually accumulated over several years, which are available for use by the community foundation for operating expenses at the discretion of the board of directors)
    - *Note*: In the forecast years, any surpluses will automatically be added to the reserve, while any shortfalls will automatically be subtracted

- Enter your **revenue** for your last historical fiscal year using **11 line items** as follows:
  - Enter the sum of all **administrative fees** (includes % admin fees on asset balances, % fees on gifts (if relevant), % fees on grants (if relevant), etc.)

  - **IF** your foundation retains **investment fees** as revenue and you've not included it above, enter these here; if the investment fees you charge are "passed through" to your investment advisor, please enter $0

  - **IF** your foundation **retains interest / dividends** earned in its funds as revenue, enter these here; if the interest / dividends are reinvested into your funds, please enter $0 (*Note*: do <u>not</u> enter returns from operating funds here)

  - **IF** your foundation has an **operating endowment and IF returns** have been retained as revenue in the past year(s), enter the amount under "Retained Returns from Operating / Admin Endowment", otherwise enter $0

  - **IF** your foundation has an **operating endowment and IF** you took any **principal** to fund operations in the past year(s), enter the amount under "Principal Distribution from Operating / Admin Endowment", otherwise enter $0

  - **IF** your foundation has an **operating reserve and IF returns** have been retained as revenue in the past year(s), enter the amount under "Retained Returns from Operating / Admin Reserve", otherwise enter $0

  - Enter any of your **other revenue** in five categories, <u>**for example**</u>
    - Fee-for-service income on managing grant or scholarship programs, providing back-office support, renting out space, etc.
    - Grants you've received directly for your operations
    - The names you select for the five types of other revenue will flow throughout the model

    ***All of the numbers you enter should add up to
    your total revenue for that particular historical year***

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Model Step 1: Inputting Historical Data (*cont'd*)

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<td>IV. Revenues, Operating Expenses & Funds</td>
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- Enter your **operating expenses** for your last historical fiscal year as follows:
  - Designate and enter three personnel related expense categories and seven other (non-personnel) expense categories; the names you select will flow throughout the model
  - **Examples** of non-personnel expense categories include:
    - Occupancy
    - Professional services
    - Travel / conferences
    - Marketing, communications, and development
    - Special initiatives / community leadership

  ***All of the numbers you enter should add up to
  your total operating expenses for that particular historical year***

- The model will **automatically calculate the implied surplus / subsidy** from the revenues and expenses you've entered; if this does not match your actual, make sure you have entered your full revenues and full expenses above

- **The four previous fiscal years are optional** – entering the data does not impact the model, but does provide you with more historical context to draw on when sanity checking your forecasted numbers

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Model Step 2A: Forecasting Your Expected Scenario

How to Approach Forecasting

Before you start using the model for your expected scenario forecast, you should first take a step back to consider the **basic underpinning of your forecast**. Your forecast will be a combination of factors outside your control that you can only anticipate (market performance, donor behavior) and factors that you can steer directly (spending policy, operating expenses). Take some time to note down the assumptions you will make for the categories below qualitatively and then quantitatively, as well as the rationale for each assumption.

Category	Assumption	Rationale
Market Performance		
Donor Behavior		
Spending Policy		
Other Revenues		
Operating Expenses		

As you consider your assumptions, especially the ones that you can steer, think about your **foundation's values and goals** over the coming years, for example:

- Is the main priority the preservation of assets?
- Is the main priority maintaining grant levels in terms of dollar volume?
- Is the main priority maintaining operating capacity?

Thinking about the values and goals of the foundation can help you decide how to forecast your spending policy and your operating expenses in light of your expectations of the market and donor behavior.

To get estimates of the **short and longer-term economic outlook**, see:
Congressional Budget Office Economic Projections | http://www.cbo.gov/budget/econproj.shtml
The Conference Board Economic Indicators | http://www.conference-board.org/economics/indicators.cfm

Model Step 2A: Forecasting Your Expected Scenario (*cont'd*)

Using the Model to Forecast Your Expected Scenario

I. Scenario Description	▪ Enter a short name for the scenario; "Expected" is a good default, you could also call it the "Base Case" ▪ In addition, while optional, it is a good idea to describe the scenario qualitatively – When you present the scenario(s) to your Board, they will first want to know in plain terms what you've assumed, **<u>for example</u>** "*The markets and the general economy do not recover until 2011, gifts continue to be low while DAF holders continue to grant at 5% despite depressed fund levels. The expense reductions made in the last few months are not re-instated until 2011…*"

II. Asset-Based Fees, Gifts, Grants, etc.
 	
Note: See page 3 of this User Guide for an explanation of how spending policy related calculations function in this model
	▪ When filling out the ESP model you will ***likely spend the most time in this section***!
	
	▪ *Note*: Forecast years 4 and 5 automatically default to your assumptions for forecast year 3; however, you can change these to reflect different assumptions if you'd like
	
	▪ First, you need to fill out three **universal assumption** categories
	
	  – **Market-based fund growth** for each of the five forecast years
	    Note: We recognize you may have varying investment strategies for your funds; for simplicity the model applies one assumption to all funds
	
	  – **Investment fee**
	
	    ▪ First, indicate using the drop down menu **if you pass this fee through** to your investment advisor, ***or*** if you **retain it as revenue** (i.e. you manage your investments in-house and charge for that – the model will add these to your revenue in this case)
	
	    ▪ *Note*: **IF** you indicated "**pass through**", **do <u>not</u> include your investment advisor fees as part of operating expenses**, or else they will be double counted; the model automatically subtracts these fees from assets
	
	    ▪ Second, indicate using the drop down menu **over which time horizon this fee is calculated** (*Note*: "no rolling avg" means it will be based off of the prior year end-of-year asset balance; "2-year rolling avg" means it will be based off of the average of the previous two years' historical end-of-year asset balances, etc.)
	
	    ▪ Finally, enter **the amount of the investment fee as a % of asset balance** for each of the five forecast years (*Note*: even if it is a pass through, the model still needs to calculate the amount to be able to subtract it from the fund balance each year)
	
	    ▪ *Note*: **IF** you'd rather count your investment fee as part of your administrative fee, enter 0% here
	
	  – **Interest Income**: The interest income category is for the percent of your funds that are invested only in fixed income type of vehicles. For this reason, <u>these fund types will not have market growth applied to them</u> – the only source of growth / return is the interest gained
	
	    ▪ First, indicate using the drop down menu **if you reinvest interest / dividends** in the funds, ***or*** if you **take these as revenue** (i.e. the model should subtract these from the fund balances and include them as revenue)
	
	    ▪ Second, indicate **what % of your assets are earning only interest / dividends** (*<u>no market-based growth</u>*) so the model applies the interest to the correct amount of your assets
	
	    ▪ Finally, enter **the amount of the interest as a % of asset balance** for each of the five forecast years

Model Step 2A: Forecasting Your Expected Scenario (*cont'd*)

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II. Asset-Based Fees, Gifts, Grants, etc.

(Cont'd)

Note: See page 3 of this User Guide for an explanation of how spending policy related calculations function in this model

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- Once you've filled out the universal assumptions, you can fill out **assumptions for the up to 10 funds** for which you've entered historical data (*Note*: you will enter assumptions for any operating / administrative endowment and / or reserve in the section that follows)

- Follow the ***same three-step process*** for each fund:
  - **Effective Admin Fee**
    - *Note*: we recognize that your foundation may use a combination of flat fees, minimum fees, special fees on gifts and grants, etc. Creating a space for all of these types of fees would have made the model unwieldy. Therefore, use the effective fee to summarize all of the fee types that you garner from each of your funds
    - First, indicate using the drop down menu **over which time horizon this fee is calculated** (*Note*: "no rolling avg" means it will be based off of the prior year end-of-year asset balance; "2-year rolling avg" means it will be based off of the average of the previous two years' historical end-of-year asset balances, etc.)
    - Second, enter **the amount of the administrative fee as a % of asset balance** for each of the five forecast years
    - *Note:* **IF** you have already entered your investment fee % under the *Universal Assumptions*, make sure you don't also add it as part of your administrative fee, otherwise it will be counted twice
    - *Note*: **IF** you are entering your investment fee as part of your administrative fee, and you do <u>not</u> retain it as an in-house revenue, you'll have to include the amount you pay your investment advisor as part of operating expenses
  - **New Gifts**
    - New gifts for each of the forecast years are calculated as a % of the end-of-year fund asset balance of the previous year
  - **Grants**
    - First, indicate using the drop down menu **over which time horizon the payout is calculated**
    - Second, enter **the payout rate as a % of asset balance** for each of the five forecast years (excluding administrative and / or investment fees)
    - *Note*: If you have underwater funds that cannot be granted from, adjust the payout rate downward to adjust for this

- ***To view the absolute dollar amounts generated by your assumptions, click the + symbol in the left margin next to each fund***
  You will have to unprotect the sheet to do so using the password of "password" – see the page 3 for instructions on how to unprotect the sheet

- *Note*: the assumptions you enter for the first fund will carry over to (***pre-populate***) each subsequent fund; the assumptions from this entire tab will carry over (***pre-populate***) the two alternate scenario tabs

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Model Legend ▢ Must Have ▢ Optional ▢ Calculation │ *All numbers in 000's ("$K")* 8

Model Step 2A: Forecasting Your Expected Scenario (*cont'd*)

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III. Operating Funds

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- For your **operating / administrative endowment**, enter
  - Your **market return assumption** (net of any investment fee you might pay to an outside fund manager / advisor)
  - What you plan to do with the return (**reinvest** in fund or retain as **revenue**)
  - Any **gifts** you anticipate, using % of asset balance to estimate the amount
  - If you are planning to take a **principal distribution** (if no, enter 0%, if yes, enter the % of the asset balance you will take)

- For your **operating / administrative reserve**, enter
  - Your **market return assumption** (net of any investment fee you might pay to an outside fund manager / advisor)
  - What you plan to do with the return (**reinvest** in fund or retain as **revenue**)

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IV. Other Revenues

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- For each of the **five categories of other revenue** you defined in the previous step, you can project growth for the five forecast years you've chosen
- Just enter **growth rates for each year** and make sure that the absolute figures generated by your growth rates are in line with your expectations

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V. Operating Expenses

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- For each of the **ten categories of operating expenses** you defined in the previous step, you can project growth for the five forecast years you've chosen
- Just enter **growth rates for each year** and make sure that the absolute figures generated by your growth rates are in line with your expectations

- The model will **automatically calculate the implied surplus / subsidy** from all of the revenues less expenses generated in this section, and add this result to the **operating reserve**

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Model Steps 2B & C: Forecasting Alternate Scenarios

How to Approach Alternate Scenarios

Before you start using the model for your alternate scenario forecast, you should first take a step back to consider which of your assumptions you'd like to test with an alternate forecast. **You should not change too many of your key assumptions**, otherwise it will become hard to ascertain the link between your changes and the model's results. You should think about your alternate scenarios philosophically before you start modeling; example alternate scenarios might be:

- ***Optimistic scenario***: The market and the economy recover faster than expected, which helps grow assets and spurs more gifts from donors
- ***Pessimistic scenario***: The market and economy take another dip, causing more losses to assets and fewer gifts for a number of years
- ***Level-grant scenario***: Grant pay-out rates are changed where possible to ensure that absolute grant levels are maintained
- ***Cash preservation scenario***: Budgets are further reduced to ensure that there is no need to tap into operating reserves

Model Steps 2B & C: Forecasting Alternate Scenarios (*cont'd*)

Using the Model to Forecast Alternate Scenarios

The Step 2B and 2C tabs are identical to the Step 2A tab. Note that they automatically pre-populate with the assumptions you made in Step 2A.

Note: The tab called "**Step3_Assumptions" shows all of your assumptions in one summary table**. The table has been programmed so that all of the **assumptions that differ from the expected scenario are shaded in red**. This will help you **keep track** of which changes you are making to your expected scenario.

There are several resources available on Community Foundation Insights' website to help you think about your alternate forecasts:

- *Case Studies***:** CF Insights will be creating case studies of your peers that have used this model to make forecasts. These case studies will help you think about approaching this exercise
- *Columbus Survey Results:* The Annual Columbus Survey provides a rich data source of growth trends that can help you think about forecasting assumptions

I. Scenario Description	▪ *Note:* Enter a short name for each of the two alternate scenarios ▪ In addition, while optional, it is a good idea to describe the scenarios qualitatively, in particular focusing on *how they differ from the expected scenario*

II. Asset-Based Fees, Gifts, Grants, etc.	▪ All of the **assumptions** you made in the **expected scenario** will **pre-populate** each of the two alternate scenario tabs ▪ You can now **make modifications to your expected scenario assumptions** to build the two alternate scenarios (one in the Step 2B tab and one in the Step 2C tab)

III. Operating Funds	▪ All of the **assumptions** you made in the **expected scenario** will **pre-populate** each of the two alternate scenario tabs ▪ You can now **make modifications to your expected scenario assumptions** to build the two alternate scenarios (one in the Step 2B tab and one in the Step 2C tab)

IV. Other Revenues	▪ All of the **assumptions** you made in the **expected scenario** will **pre-populate** each of the two alternate scenario tabs ▪ You can now **make modifications to your expected scenario assumptions** to build the two alternate scenarios (one in the Step 2B tab and one in the Step 2C tab)

V. Operating Expenses	▪ All of the **assumptions** you made in the **expected scenario** will **pre-populate** each of the two alternate scenario tabs ▪ You can now **make modifications to your expected scenario assumptions** to build the two alternate scenarios (one in the Step 2B tab and one in the Step 2C tab)

Model Legend ☐ Must Have ☐ Optional ☐ Calculation │ *All numbers in 000's ("$K")*

Model Step 3: Viewing Your Results

Now all that is left to do is to **view the results** of your work! There are **three yellow tabs** set up for this purpose. The first tab is filled with **tables** and **dashboard charts** as outlined below. The next tab summarizes all of the important data **outputs** in one place and the final tab shows all of the **assumptions** you've made. You can turn all of this information into a **presentation** using the **template** that's available for download on the CF Insights website – more details on the presentation can be found in the last section of this User Guide.

I. Year-by-Year Forecast DATA	▪ Three **tables**, one for each scenario, that summarize all of the key data points for the forecast time period ▪ The asset, revenue, and operating expense rows in each table expand to reveal more granular data*

II. Year-by-Year Forecast CHARTS	▪ Three **dashboard charts**, one for each scenario, that show assets, gifts, grants, revenues, operating expenses, surplus / subsidy, as well as sustainability indicators for each forecast time period ▪ *Note*: You may have to adjust the axes to fit your data ranges
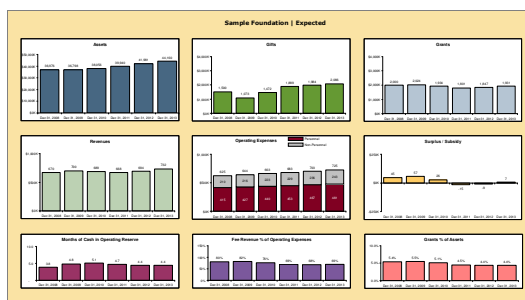
III. Side-by-Side Scenario DATA	▪ Five **tables**, one for each forecast year, that summarize all of the data for each of the three scenarios ▪ The asset, revenue, and operating expenses rows in each table expand to reveal more granular data*

|	
IV. Side-by-Side Scenario CHARTS	▪ Five **dashboard charts**, one for each forecast year, that compare assets, gifts, grants, revenues, operating expenses, surplus / subsidy, as well as sustainability indicators for each of the three scenarios ▪ *Note*: You may have to adjust the axes to fit your data ranges

* You will have to unprotect the sheet to see the more granular data using the password of "password" – see the page 3 for instructions on how to unprotect the sheet

Model Legend   ☐ Must Have   ☐ Optional   ☐ Calculation │ *All numbers in 000's ("$K")*   11

Model Step 3: Viewing Your Results (*cont'd*)

V. Combination of Scenario & Longitudinal	- **Summary dashboard chart** showing assets, gifts, grants, revenues, operating expenses, surplus / subsidy, as well as sustainability indicators for each of the three scenarios over the forecast time period - *Note*: You may have to adjust the axes to fit your data ranges

Output Summary

The Step 3 Output Summary tab provides an overview of the main model outputs, for each scenario and across all of the forecast years. This table can be used to sanity check and showcase the scenario planning results all in one place.

Assumptions Summary

In addition to the results data and charts, the final tab of the model shows all of the assumptions for each scenario and each forecast time period in one place. You can print this tab and use it as a back-up reference when you present your scenarios. Remember – all **assumptions that differ from the expected scenario will automatically be shaded in red** so you can easily locate them.

Presenting Your Results & Findings

To help you present your findings, a PowerPoint template has been created with four sections. The template is **designed for a Board or senior management level discussion** and is thus a **high-level depiction** of all of the data and analysis that the ESP model provides. The purpose of the presentation is to jumpstart a conversation on the **strategic implications of your forecasts**. However, you know your audience the best, thus feel free to modify the template accordingly.

I. **Introduction**: Providing background of the ESP model and an executive summary of the key forecast findings and implications (*slides 3 and 4*)

- *Note*: You will have to **fill out the executive summary table on *slide 4*** based on the circumstances of your particular foundation
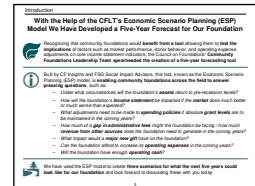
II. **Expected Scenario**: Allowing you to present both the assumptions and results of the expected scenario

- A slide on which to **fill out your key assumptions** (*slide 6*)
- **Graph placeholders** for you to **fill in data** from the expected scenario on:
  - Assets, Gifts, Grants (*slide 7*)
  - Revenues, Operating Expenses, Surplus / Subsidy (*slide 8*)
  - Months of Cash, Fee Revenue % of Operating Expenses, Grants % of Assets (*slide 9*)
- *Note*: To replace the placeholder data with your data, just **double click on each graph** and paste in the numbers from your model; you might have to change the scale of the axes
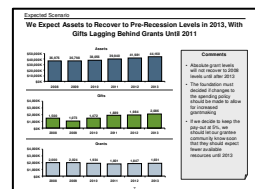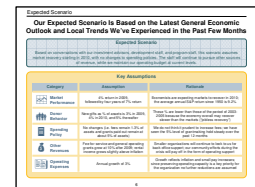
III. **Alternate Scenarios**: Allowing you to present both the assumptions and results of the alternate scenarios

- A slide on which to **fill out which key assumptions you've changed** in each of the alternate scenarios (*slide 11*) – remember you can locate these easily on the tab called "Step3_Assumptions" as they'll be shaded in red.
- **Graph placeholders** for you to **fill in side-by-side data** from all three scenarios on:
  - Assets (*slide 12*)
  - Gifts (*slide 13*)
  - Grants (*slide 14*)
  - Surplus / Subsidy (*slide 15*)
  - Revenue Mix (*slide 16*)
- *Note*: To replace the placeholder data with your data, just **double click on each graph** and paste in the numbers from your model; you might have to change the scale of the axes and remove the $ that paste in
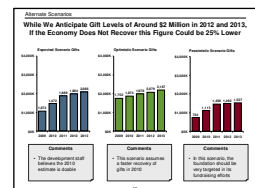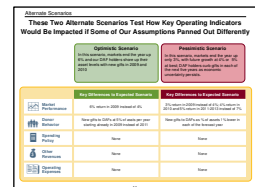
IV. **Discussion**: Anticipating and posing **key questions**

- If you participated in a **peer learning group**, you can use *slide 18* to describe or depict how your assumptions and results **compare** to other community foundations
- On *slide 19* you can **tee up the important discussion questions / topics** that your ESP analysis raises for your foundation
  - The top table should match the table on *slide 4*
  - The bottom table allows you to add additional findings / discussion points as relevant

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Model Legend ▢ Must Have ▢ Optional ▢ Calculation │ *All numbers in 000's ("$K")* 13